
U.S. Department of the Interior • U.S. Geological Survey

MINERAL INDUSTRY SURVEYS

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LEAD IN MAY 1997

Mine production, based upon the net quantity recovered in the smelting of concentrate, remained unchanged in May and was up by about 3% compared with production in May 1996. Primary and secondary refinery production increased by 1% and 3%, respectively, in May, and were up by about 11% and 4%, respectively, compared with production in May 1996. Reported consumption decreased by 2% in May.

According to *Platt's Metals Week* published quotations, the average North American producer price and London Metal Exchange (LME) cash price decreased by 1.2% and 3.7%, respectively, in May. With the exception of a recent moderate increase in the LME cash price as a result of a temporary tightness in the market, both the North American producer price and the LME price have steadily declined in the last 12 months to levels 9% and 26%, respectively, below the May 1996 levels.

National Defense Stockpile cash disposal (sale) of lead in May 1997 was 1,200 metric tons (1,323 short tons). Sale of lead to date in fiscal year 1997 (October 1996 through May 1997) was 10,338 metric tons (11,396 short tons).

Australia's RTZ-CRA, recently renamed Rio Tinto, reached agreement in early May with all aboriginal Native Title claimants and the local government over the development of the Century zinc-lead mine in Queensland. The agreement allows for the sale of the mining project to Pasminco Inc., Melbourne, Australia, to proceed as planned. RTZ-CRA had sold the project to Pasminco in January, contingent upon the issuance of the relevant mining leases by the Queensland State Government, which in turn depended upon a settlement with the Native Title claimants. In a related action, the Queensland State Government agreed to reinstate its A\$30 million compensation package to the Native Title claimants. The compensation package had been withdrawn when negotiations between RTZ-CRA and the claimants were halted in February. According to Century mining project officials, several months will be required to secure titles to the mine site, port facilities, and the 300-kilometer pipeline corridor which will carry the concentrates to

the port of Karumba in the Gulf of Carpenteria. Should development work be initiated in the next few months, it is anticipated that production at the mine could commence by the end of the year 2000. (Mining Journal, 1997; Metal Bulletin, 1997a).

Anvil Range Mining Corp., Toronto, Canada, will likely resume operations at its Faro lead-zinc mine, Yukon Territory, Canada, sometime in the second half of the year, according to an Anvil official. Mining operations had been suspended at the end of 1996 as a result of adverse market conditions and mine production below budgeted levels. Processing of stockpiled ore at the mill had continued through March 1997, at which time the mill also was closed. The mill capacity at Faro is about 480,000 tons per year. Resumption of operations at Faro will be dependent upon continuing improvements in market fundamentals, particularly those for zinc, and also upon the resolution of certain other obstacles related to electrical power and road taxes (American Metal Market, 1997).

Mexico's Grupo Industrias Peñoles, the highest bidder for the purchase of the La Oroya smelting and refining complex in the central Andes Mountains of Peru, has indicated that it will purchase a 60% interest in the complex. The remaining 40% will be distributed between the state and workers at the complex. La Oroya was sold by Peru's state-owned Empresa Minera del Centro del Perú S.A. (CENTROMIN), as part of its continuing privatization effort (Metal Bulletin, 1997b).

References Cited

- American Metal Market, 1997, Faro mine seen back in action in last half: American Metal Market, v. 105, no. 99, May 22, p. 2.
Metal Bulletin, 1997a, Century project receives final go-ahead: Metal Bulletin, no. 8177, May 12, p. 5.
———1997b, Peñoles buys 60% of La Oroya: Metal Bulletin, no. 8180, May 22, p. 5.
Mining Journal, 1997, Aboriginal groups sign Century deal: Mining Journal, v. 328, no. 8428, May 9, p. 370.

TABLE 1
SALIENT LEAD STATISTICS IN THE UNITED STATES 1/

(Metric tons)

	1996		1997		
	Jan. - Dec. p/	Jan. - May	Apr.	May	Jan. - May
Production:					
Mine (recoverable)	418,000	181,000	38,600	38,600	189,000
Primary refinery 2/	326,000	152,000	30,400	30,600	150,000
Secondary refinery:					
Reported by smelters/refineries	1,010,000	413,000 r/	83,400	85,600	430,000
Estimated	16,100	6,530 r/	1,330	1,400	7,060
Recovered from copper-base scrap e/	15,000	6,250	1,250	1,250	6,250
Total secondary	1,040,000	426,000 r/	86,000	88,200	444,000
Stocks, end of period:					
Primary refineries 2/	XX	XX	19,900	19,900	XX
Secondary smelters and consumers	XX	XX	53,200	53,200	XX
Imports for consumption:					
Ore and concentrates (lead content)	6,570	2,880	--	NA	4,520 3/
Refined metal	268,000	107,000	20,800	NA	85,900 3/
Consumption:					
Reported	1,230,000	339,000	102,000	99,900	509,000
Undistributed e/	454,000	208,000	37,900	36,900	188,000
Total	1,680,000	547,000	140,000	137,000	697,000
Exports (lead content):					
Ore and concentrates	59,700	2,720	991	NA	6,580 3/
Materials excluding scrap	102,000	45,800	5,330	NA	28,500 3/
Ash and residues	19,400	6,250	1,730	NA	7,740 3/
TEL/TML preparations, based on lead compounds	3,200	357	24	NA	548 3/
Exports (gross weight): Scrap 4/	85,300	31,800	5,360	NA	43,400 3/
Platt's Metals Week North American producer price (cents per pound)	48.83	48.23	46.52	45.94	47.42

e/ Estimated. p/ Preliminary. r/ Revised. NA Not available. XX Not applicable.

1/ Data are rounded to three significant digits, except prices; may not add to totals shown.

2/ Data from American Bureau of Metal Statistics, Inc. (ABMS).

3/ Includes data for January - April only; May data not available at time of publication.

4/ Includes only non-battery scrap data.

TABLE 2
MONTHLY AVERAGE LEAD PRICES

	North American producer price cents/lb	LME		Sterling exchange rate dollars/£
		\$/metric ton	£/metric ton	
1996:				
May	50.35	839.76	554.21	1.515236
Average Jan. - May	48.23	789.97	518.26	1.524614
Year average	48.83	773.87	495.56	1.561616
1997:				
February	48.24	659.74	405.83	1.625632
March	47.85	694.09	431.23	1.609557
April	46.52	642.09	394.07	1.629323
May	45.94	618.23	378.78	1.632167
Average Jan. - May	47.42	661.21	405.42	1.631039

Source: Platt's Metals Week.

TABLE 3
MINE PRODUCTION OF RECOVERABLE LEAD IN THE UNITED STATES 1/

(Metric tons)

	1996 p/		1997		
	Year total	Jan. - May	Apr.	May	Jan. - May
Missouri	387,000 2/	136,000	35,500 2/	35,500 2/	174,000 2/
Other States	30,800 3/	45,400 4/	3,090 3/	3,150 3/	15,100 3/
Total	418,000	181,000	38,600	38,600	189,000
Daily average 5/	1,140	1,190	1,290	1,250	1,250

p/ Preliminary. r/ Revised.

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Alaska and Missouri combined to avoid disclosing company proprietary data.

3/ Includes Colorado, Idaho, Montana, and New York.

4/ Includes Alaska, Colorado, Idaho, Montana, and New York.

5/ Based on number of days in period without adjustment for Sundays or holidays.

TABLE 4
CONSUMPTION OF PURCHASED LEAD-BASE SCRAP IN MAY 1997 1/

(Metric tons, gross weight)

Item	Stocks Apr. 30, 1997	Net receipts	Consumption	Stocks May 31, 1997
Battery-lead	40,400	95,500	96,000	39,900
Soft lead	W	W	W	W
Drosses and residues	1,160	3,580	3,790	955
Other 2/	1,060	2,750	2,560	1,250
Total	42,600	102,000	102,000	42,100
Percent change from preceding month	--	-7.0	-2.3	-1.2

W Withheld to avoid disclosing company proprietary data; included with "Other."

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Includes solder, common babbitt, antimonial lead, cable covering, type metals, and other lead-base scrap not elsewhere classified.

TABLE 5
LEAD, TIN, AND ANTIMONY RECOVERED FROM LEAD-BASE
SCRAP IN MAY 1997 1/

(Metric tons)

Product recovered	Secondary metal content		
	Lead	Tin	Antimony
Soft and calcium lead	42,700	--	--
Remelt lead	W	W	W
Antimonial lead	37,700	11	W
Other 2/	W	W	--
Total lead-base	85,600	34	556

W Withheld to avoid disclosing company proprietary data; included in "Total."

1/ Data are rounded to three significant digits.

2/ Includes cable lead, lead-base babbitt, solder, type metals, and other products.

TABLE 6
CONSUMPTION OF LEAD IN THE UNITED STATES 1/

(Metric tons, lead content)

Uses	1996		1997		
	Jan.-Dec. p/	Jan.- May	Apr.	May	Jan.- May
Metal products:					
Ammunition-shot and bullets	37,800	19,200	4,560	3,620	21,000
Brass and bronze-billet and ingots	6,060	2,640	491	520	2,640
Cable covering-power and communication and calking lead-building construction	6,720	2,720	665	910	3,040
Casting metals	1,400	592	117	49	292
Pipes, traps, and other extruded products	(2/)	150	(2/)	(2/)	(2/)
Sheet lead	13,900	3,910	764	770	3,460
Solder	5,480	2,400	613 r/	260	2,720
Storage batteries, including oxides	1,140,000	295,000	94,500	93,200	472,000
Terne metal, type metal, and other metal products 3/	3,830	3,110	244	133	945
Total metal products	1,210,000	330,000	102,000	99,400	506,000
Other oxides	(4/)	4,250	(4/)	(4/)	(4/)
Miscellaneous uses	13,600	4,890	481	433	2,730
Total reported	1,230,000	339,000	102,000	99,900	509,000
Undistributed consumption e/	454,000	208,000	37,900	36,900	188,000
Grand total	1,680,000	547,000	140,000	137,000	697,000

e/ Estimated. p/ Preliminary. r/ Revised.

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Withheld to avoid disclosing company proprietary data; included with "Sheet lead."

3/ Includes lead consumed in foil, collapsible tubes, annealing, plating, galvanizing, and fishing weights.

4/ Withheld to avoid disclosing company proprietary data; included with "Miscellaneous uses."

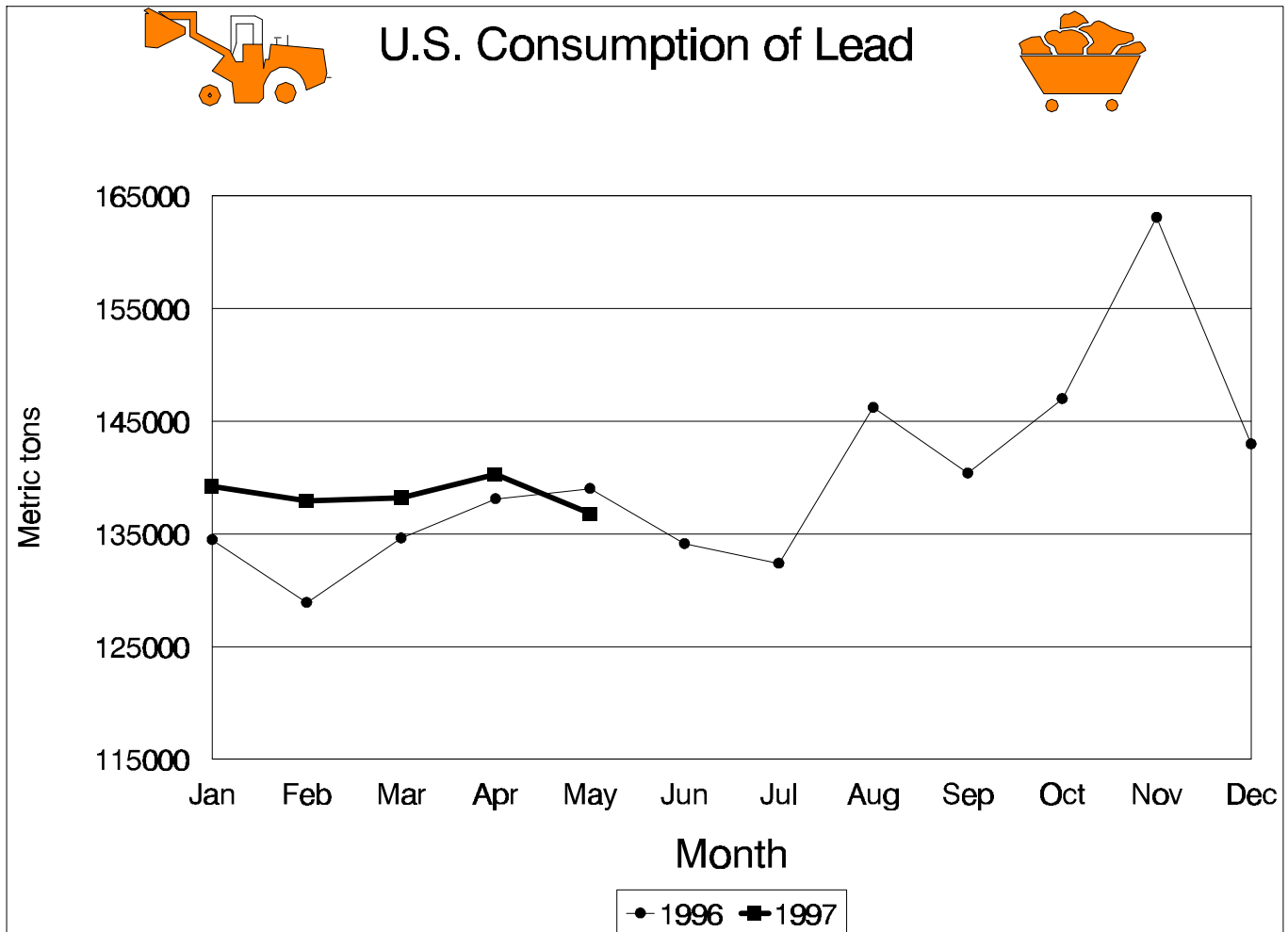


TABLE 7
CONSUMER AND SECONDARY SMELTER STOCKS, RECEIPTS, AND
CONSUMPTION OF LEAD IN MAY 1997 1/

(Metric tons, lead content)

Type of material	Stocks Apr. 30, 1997	Net receipts	Consumption	Stocks May 31, 1997
Soft lead	18,800	55,400	53,500	20,800
Antimonial lead	30,200	29,100	27,800	31,500
Lead alloys	W	18,100	18,200	W
Copper-base scrap	W	427	427	W
Total	53,200	103,000	99,900	56,400

W Withheld to avoid disclosing company proprietary data; included in "Total."

1/ Data are rounded to three significant digits; may not add to totals shown.

TABLE 8
U.S. EXPORTS OF LEAD, BY CLASS 1/

(Metric tons)

	1996		1997		
	Year total	Apr.	Mar.	Apr.	Jan. - Apr.
Lead content:					
Ore and concentrates	59,700	283	818	991	6,580
Materials excluding scrap	102,000	10,600	5,030	5,330	28,500
Ash and residues	19,400	1,820	1,960	1,730	7,740
TEL/TML preparations, based on lead compounds	3,200	109	276	24	548
Total	184,000	12,800	8,080	8,080	43,400
Gross weight: Scrap	85,300 2/	6,360 2/	4,410	5,360	27,400

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Includes only non-battery scrap data.

Source: Bureau of the Census.

TABLE 9
U.S. IMPORTS OF LEAD BY TYPE OF MATERIALS AND BY COUNTRY OF ORIGIN 1/

(Metric tons, lead content)

Country of origin	General imports					Imports for consumption				
	1996		1997			1996		1997		
	Year total	Jan. - Apr.	Mar.	Apr.	Jan. - Apr.	Year total	Jan. - Apr.	Mar.	Apr.	Jan. - Apr.
Ore, matte, etc.:										
Bolivia	326	271	--	414	445	--	--	--	--	--
Canada	352,000	120,000	18,200	1,420	58,100	4,370	1,200	--	(2/)	(2/)
Mexico	2,890	390	--	--	558	2,080	390	--	--	558
Peru	13,400	5,730	358	342	1,910	--	--	--	--	--
Other	133	122	--	--	3,960	122	122	--	--	3,960
Total	369,000	126,000	18,600	2,170	65,000	6,570	1,710	--	(2/)	4,520
Base bullion:										
Mexico	5	--	--	--	--	5	--	5	--	5
Total	5	--	--	--	--	5	--	5	--	5
Pigs and bars:										
Belgium	11	--	10	7	28	11	--	10	7	28
Canada	192,000	59,700	14,600	15,600	65,200	192,000	59,700	14,600	15,600	65,300
Germany	338	92	31	75	153	338	92	31	75	153
Mexico	56,900	20,500	6,520	4,680	17,300	56,900	20,500	6,520	4,680	17,300
Peru	17,100	7,190	595	500	2,200	17,100	7,190	595	500	2,200
United Arab Emirates	160	72	10	10	31	160	72	10	10	31
United Kingdom	19	--	--	--	--	19	--	--	--	--
Other	846	27	365	--	910	846	27	365	--	910
Total	267,000	87,600	22,100	20,800	85,900	268,000	87,600	22,100	20,800	85,900
Reclaimed scrap, including ash and residues	192	120	--	--	--	192	120	--	--	--
Grand total	636,000	214,000	40,700	23,000	151,000	274,000	89,400	22,100	20,800	90,500

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Less than 1/2 unit.

Source: Bureau of the Census.